



General Assembly

February Session, 2014

Governor's Bill No. 5052

LCO No. 554



Referred to Committee on HUMAN SERVICES

Introduced by:

REP. SHARKEY, 88th Dist.

REP. ARESIMOWICZ, 30th Dist.

SEN. WILLIAMS, 29th Dist.

SEN. LOONEY, 11th Dist.

***AN ACT IMPLEMENTING THE GOVERNOR'S BUDGET
RECOMMENDATIONS FOR HUMAN SERVICES PROGRAMS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 15 of public act 13-184 is repealed and the
2 following is substituted in lieu thereof (*Effective from passage*):

3 Notwithstanding the provisions of section 17a-17 of the general
4 statutes, for the fiscal years ending June 30, 2014, [and] to June 30,
5 [2015] 2018, inclusive, the provisions of [said] section 17a-17 shall not
6 be considered in any increases or decreases to rates or allowable per
7 diem payments to private residential treatment centers licensed
8 pursuant to section 17a-145 of the general statutes.

9 Sec. 2. Section 19a-402 of the general statutes is repealed and the
10 following is substituted in lieu thereof (*Effective July 1, 2014*):

11 The Commission on Medicolegal Investigations established under
12 section 19a-401 and the Office of the Chief Medical Examiner
13 established under section 19a-403 shall be within [The University of
14 Connecticut Health Center] the Department of Administrative Services
15 for administrative purposes only.

16 Sec. 3. Subsection (a) of section 17b-802 of the general statutes is
17 repealed and the following is substituted in lieu thereof (*Effective July*
18 *1, 2014*):

19 (a) The Commissioner of Housing shall establish, within available
20 appropriations, and administer a security deposit guarantee program
21 for persons who (1) (A) are recipients of temporary family assistance,
22 aid under the state supplement program, or state-administered general
23 assistance, or (B) have a documented showing of financial need, and
24 (2) (A) are residing in emergency shelters or other emergency housing,
25 cannot remain in permanent housing due to any reason specified in
26 subsection (a) of section 17b-808, or are served a writ, summons and
27 complaint in a summary process action instituted pursuant to chapter
28 832, or (B) have a certificate or voucher from a rental assistance
29 program or federal Section 8 [certificate or voucher] program. Under
30 [such] the security deposit guarantee program, the Commissioner of
31 Housing may provide security deposit guarantees for use by such
32 persons in lieu of a security deposit on a rental dwelling unit. Eligible
33 persons may receive a security deposit guarantee in an amount not to
34 exceed the equivalent of two months' rent on such rental unit. No
35 person may apply for and receive a security deposit guarantee more
36 than once in any eighteen-month period without the express
37 authorization of the Commissioner of Housing, except as provided in
38 subsection (b) of this section. The Commissioner of Housing may deny
39 eligibility for the security deposit guarantee program to an applicant
40 for whom the commissioner has paid two claims by landlords. The
41 Commissioner of Housing shall prioritize provision of security deposit
42 guarantees to eligible veterans and may establish priorities for
43 providing security deposit guarantees to other eligible persons

44 described in subparagraphs (A) and (B) of subdivision (2) of this
45 subsection in order to administer the program within available
46 appropriations.

47 Sec. 4. Section 17b-617 of the general statutes is repealed and the
48 following is substituted in lieu thereof (*Effective July 1, 2014*):

49 (a) The Commissioner of Social Services shall, within available
50 appropriations, establish and operate a state-funded pilot program to
51 allow not more than [fifty] one hundred persons with disabilities (1)
52 who are age eighteen to sixty-four, inclusive, (2) who are
53 inappropriately institutionalized or at risk of inappropriate
54 institutionalization, and (3) whose assets do not exceed the asset limits
55 of the state-funded home care program for the elderly, established
56 pursuant to subsection (i) of section 17b-342, to be eligible to receive
57 the same services that are provided under the state-funded home care
58 program for the elderly. At the discretion of the Commissioner of
59 Social Services, such persons may also be eligible to receive services
60 that are necessary to meet needs attributable to disabilities in order to
61 allow such persons to avoid institutionalization.

62 (b) Any person participating in the pilot program whose income
63 exceeds two hundred per cent of the federal poverty level shall
64 contribute to the cost of care in accordance with the methodology
65 established for recipients of medical assistance pursuant to sections
66 5035.20 and 5035.25 of the department's uniform policy manual.

67 (c) The annualized cost of services provided to an individual under
68 the pilot program shall not exceed fifty per cent of the weighted
69 average cost of care in nursing homes in the state.

70 (d) If the number of persons eligible for the pilot program
71 established pursuant to this section exceeds [fifty] one hundred
72 persons or if the cost of the program exceeds available appropriations,
73 the commissioner shall establish a waiting list designed to serve
74 applicants by order of application date.

75 Sec. 5. Subsection (b) of section 17b-104 of the general statutes is
76 repealed and the following is substituted in lieu thereof (*Effective July*
77 *1, 2015*):

78 (b) On July 1, [2007] 2015, and annually thereafter, the commissioner
79 [shall] may, within available appropriations, increase the payment
80 standards over those of the previous fiscal year under the temporary
81 family assistance program and the state-administered general
82 assistance program by the percentage increase, if any, in the most
83 recent calendar year average in the consumer price index for urban
84 consumers over the average for the previous calendar year, provided
85 the annual increase, if any, shall not exceed five per cent. [, except that
86 the payment standards for the fiscal years ending June 30, 2010, June
87 30, 2011, June 30, 2012, and June 30, 2013, shall not be increased.]

88 Sec. 6. Subsection (a) of section 17b-106 of the 2014 supplement to
89 the general statutes is repealed and the following is substituted in lieu
90 thereof (*Effective July 1, 2015*):

91 (a) On January 1, 2006, and on each January first thereafter, the
92 Commissioner of Social Services shall increase the unearned income
93 disregard for recipients of the state supplement to the federal
94 Supplemental Security Income Program by an amount equal to the
95 federal cost-of-living adjustment, if any, provided to recipients of
96 federal Supplemental Security Income Program benefits for the
97 corresponding calendar year. On July 1, [1989] 2015, and annually
98 thereafter, the commissioner [shall] may, within available
99 appropriations, increase the adult payment standards over those of the
100 previous fiscal year for the state supplement to the federal
101 Supplemental Security Income Program by the percentage increase, if
102 any, in the most recent calendar year average in the consumer price
103 index for urban consumers over the average for the previous calendar
104 year, provided the annual increase, if any, shall not exceed five per
105 cent. [, except that the adult payment standards for the fiscal years
106 ending June 30, 1993, June 30, 1994, June 30, 1995, June 30, 1996, June

107 30, 1997, June 30, 1998, June 30, 1999, June 30, 2000, June 30, 2001, June
108 30, 2002, June 30, 2003, June 30, 2004, June 30, 2005, June 30, 2006, June
109 30, 2007, June 30, 2008, June 30, 2009, June 30, 2010, June 30, 2011, June
110 30, 2012, and June 30, 2013, shall not be increased. Effective October 1,
111 1991, the coverage of excess utility costs for recipients of the state
112 supplement to the federal Supplemental Security Income Program is
113 eliminated.] Notwithstanding the provisions of this section, the
114 commissioner may increase the personal needs allowance component
115 of the adult payment standard as necessary to meet federal
116 maintenance of effort requirements.

117 Sec. 7. Subdivision (4) of subsection (f) of section 17b-340 of the 2014
118 supplement to the general statutes is repealed and the following is
119 substituted in lieu thereof (*Effective July 1, 2015*):

120 (4) [For the fiscal year ending June 30, 1992, (A) no facility shall
121 receive a rate that is less than the rate it received for the rate year
122 ending June 30, 1991; (B) no facility whose rate, if determined pursuant
123 to this subsection, would exceed one hundred twenty per cent of the
124 state-wide median rate, as determined pursuant to this subsection,
125 shall receive a rate which is five and one-half per cent more than the
126 rate it received for the rate year ending June 30, 1991; and (C) no
127 facility whose rate, if determined pursuant to this subsection, would be
128 less than one hundred twenty per cent of the state-wide median rate,
129 as determined pursuant to this subsection, shall receive a rate which is
130 six and one-half per cent more than the rate it received for the rate year
131 ending June 30, 1991. For the fiscal year ending June 30, 1993, no
132 facility shall receive a rate that is less than the rate it received for the
133 rate year ending June 30, 1992, or six per cent more than the rate it
134 received for the rate year ending June 30, 1992. For the fiscal year
135 ending June 30, 1994, no facility shall receive a rate that is less than the
136 rate it received for the rate year ending June 30, 1993, or six per cent
137 more than the rate it received for the rate year ending June 30, 1993.
138 For the fiscal year ending June 30, 1995, no facility shall receive a rate
139 that is more than five per cent less than the rate it received for the rate

140 year ending June 30, 1994, or six per cent more than the rate it received
141 for the rate year ending June 30, 1994. For the fiscal years ending June
142 30, 1996, and June 30, 1997, no facility shall receive a rate that is more
143 than three per cent more than the rate it received for the prior rate
144 year. For the fiscal year ending June 30, 1998, a facility shall receive a
145 rate increase that is not more than two per cent more than the rate that
146 the facility received in the prior year. For the fiscal year ending June
147 30, 1999, a facility shall receive a rate increase that is not more than
148 three per cent more than the rate that the facility received in the prior
149 year and that is not less than one per cent more than the rate that the
150 facility received in the prior year, exclusive of rate increases associated
151 with a wage, benefit and staffing enhancement rate adjustment added
152 for the period from April 1, 1999, to June 30, 1999, inclusive. For the
153 fiscal year ending June 30, 2000, each facility, except a facility with an
154 interim rate or replaced interim rate for the fiscal year ending June 30,
155 1999, and a facility having a certificate of need or other agreement
156 specifying rate adjustments for the fiscal year ending June 30, 2000,
157 shall receive a rate increase equal to one per cent applied to the rate the
158 facility received for the fiscal year ending June 30, 1999, exclusive of
159 the facility's wage, benefit and staffing enhancement rate adjustment.
160 For the fiscal year ending June 30, 2000, no facility with an interim rate,
161 replaced interim rate or scheduled rate adjustment specified in a
162 certificate of need or other agreement for the fiscal year ending June
163 30, 2000, shall receive a rate increase that is more than one per cent
164 more than the rate the facility received in the fiscal year ending June
165 30, 1999. For the fiscal year ending June 30, 2001, each facility, except a
166 facility with an interim rate or replaced interim rate for the fiscal year
167 ending June 30, 2000, and a facility having a certificate of need or other
168 agreement specifying rate adjustments for the fiscal year ending June
169 30, 2001, shall receive a rate increase equal to two per cent applied to
170 the rate the facility received for the fiscal year ending June 30, 2000,
171 subject to verification of wage enhancement adjustments pursuant to
172 subdivision (14) of this subsection. For the fiscal year ending June 30,
173 2001, no facility with an interim rate, replaced interim rate or

174 scheduled rate adjustment specified in a certificate of need or other
175 agreement for the fiscal year ending June 30, 2001, shall receive a rate
176 increase that is more than two per cent more than the rate the facility
177 received for the fiscal year ending June 30, 2000. For the fiscal year
178 ending June 30, 2002, each facility shall receive a rate that is two and
179 one-half per cent more than the rate the facility received in the prior
180 fiscal year. For the fiscal year ending June 30, 2003, each facility shall
181 receive a rate that is two per cent more than the rate the facility
182 received in the prior fiscal year, except that such increase shall be
183 effective January 1, 2003, and such facility rate in effect for the fiscal
184 year ending June 30, 2002, shall be paid for services provided until
185 December 31, 2002, except any facility that would have been issued a
186 lower rate effective July 1, 2002, than for the fiscal year ending June 30,
187 2002, due to interim rate status or agreement with the department shall
188 be issued such lower rate effective July 1, 2002, and have such rate
189 increased two per cent effective June 1, 2003. For the fiscal year ending
190 June 30, 2004, rates in effect for the period ending June 30, 2003, shall
191 remain in effect, except any facility that would have been issued a
192 lower rate effective July 1, 2003, than for the fiscal year ending June 30,
193 2003, due to interim rate status or agreement with the department shall
194 be issued such lower rate effective July 1, 2003. For the fiscal year
195 ending June 30, 2005, rates in effect for the period ending June 30, 2004,
196 shall remain in effect until December 31, 2004, except any facility that
197 would have been issued a lower rate effective July 1, 2004, than for the
198 fiscal year ending June 30, 2004, due to interim rate status or
199 agreement with the department shall be issued such lower rate
200 effective July 1, 2004. Effective January 1, 2005, each facility shall
201 receive a rate that is one per cent greater than the rate in effect
202 December 31, 2004. Effective upon receipt of all the necessary federal
203 approvals to secure federal financial participation matching funds
204 associated with the rate increase provided in this subdivision, but in
205 no event earlier than July 1, 2005, and provided the user fee imposed
206 under section 17b-320 is required to be collected, for the fiscal year
207 ending June 30, 2006, the department shall compute the rate for each

208 facility based upon its 2003 cost report filing or a subsequent cost year
209 filing for facilities having an interim rate for the period ending June 30,
210 2005, as provided under section 17-311-55 of the regulations of
211 Connecticut state agencies. For each facility not having an interim rate
212 for the period ending June 30, 2005, the rate for the period ending June
213 30, 2006, shall be determined beginning with the higher of the
214 computed rate based upon its 2003 cost report filing or the rate in
215 effect for the period ending June 30, 2005. Such rate shall then be
216 increased by eleven dollars and eighty cents per day except that in no
217 event shall the rate for the period ending June 30, 2006, be thirty-two
218 dollars more than the rate in effect for the period ending June 30, 2005,
219 and for any facility with a rate below one hundred ninety-five dollars
220 per day for the period ending June 30, 2005, such rate for the period
221 ending June 30, 2006, shall not be greater than two hundred seventeen
222 dollars and forty-three cents per day and for any facility with a rate
223 equal to or greater than one hundred ninety-five dollars per day for
224 the period ending June 30, 2005, such rate for the period ending June
225 30, 2006, shall not exceed the rate in effect for the period ending June
226 30, 2005, increased by eleven and one-half per cent. For each facility
227 with an interim rate for the period ending June 30, 2005, the interim
228 replacement rate for the period ending June 30, 2006, shall not exceed
229 the rate in effect for the period ending June 30, 2005, increased by
230 eleven dollars and eighty cents per day plus the per day cost of the
231 user fee payments made pursuant to section 17b-320 divided by
232 annual resident service days, except for any facility with an interim
233 rate below one hundred ninety-five dollars per day for the period
234 ending June 30, 2005, the interim replacement rate for the period
235 ending June 30, 2006, shall not be greater than two hundred seventeen
236 dollars and forty-three cents per day and for any facility with an
237 interim rate equal to or greater than one hundred ninety-five dollars
238 per day for the period ending June 30, 2005, the interim replacement
239 rate for the period ending June 30, 2006, shall not exceed the rate in
240 effect for the period ending June 30, 2005, increased by eleven and one-
241 half per cent. Such July 1, 2005, rate adjustments shall remain in effect

242 unless (i) the federal financial participation matching funds associated
243 with the rate increase are no longer available; or (ii) the user fee
244 created pursuant to section 17b-320 is not in effect. For the fiscal year
245 ending June 30, 2007, each facility shall receive a rate that is three per
246 cent greater than the rate in effect for the period ending June 30, 2006,
247 except any facility that would have been issued a lower rate effective
248 July 1, 2006, than for the rate period ending June 30, 2006, due to
249 interim rate status or agreement with the department, shall be issued
250 such lower rate effective July 1, 2006. For the fiscal year ending June
251 30, 2008, each facility shall receive a rate that is two and nine-tenths
252 per cent greater than the rate in effect for the period ending June 30,
253 2007, except any facility that would have been issued a lower rate
254 effective July 1, 2007, than for the rate period ending June 30, 2007, due
255 to interim rate status or agreement with the department, shall be
256 issued such lower rate effective July 1, 2007. For the fiscal year ending
257 June 30, 2009, rates in effect for the period ending June 30, 2008, shall
258 remain in effect until June 30, 2009, except any facility that would have
259 been issued a lower rate for the fiscal year ending June 30, 2009, due to
260 interim rate status or agreement with the department shall be issued
261 such lower rate. For the fiscal years ending June 30, 2010, and June 30,
262 2011, rates in effect for the period ending June 30, 2009, shall remain in
263 effect until June 30, 2011, except any facility that would have been
264 issued a lower rate for the fiscal year ending June 30, 2010, or the fiscal
265 year ending June 30, 2011, due to interim rate status or agreement with
266 the department, shall be issued such lower rate. For the fiscal years
267 ending June 30, 2012, and June 30, 2013, rates in effect for the period
268 ending June 30, 2011, shall remain in effect until June 30, 2013, except
269 any facility that would have been issued a lower rate for the fiscal year
270 ending June 30, 2012, or the fiscal year ending June 30, 2013, due to
271 interim rate status or agreement with the department, shall be issued
272 such lower rate. For the fiscal year ending June 30, 2014, the
273 department shall determine facility rates based upon 2011 cost report
274 filings subject to the provisions of this section and applicable
275 regulations except: (I) A ninety per cent minimum occupancy standard

276 shall be applied; (II) no facility shall receive a rate that is higher than
277 the rate in effect on June 30, 2013; (III) no facility shall receive a rate
278 that is more than four per cent lower than the rate in effect on June 30,
279 2013; and (IV) any facility that would have been issued a lower rate
280 effective July 1, 2013, than for the rate period ending June 30, 2013, due
281 to interim rate status or agreement with the department, shall be
282 issued such lower rate effective July 1, 2013. For the fiscal year ending
283 June 30, 2015, rates in effect for the period ending June 30, 2014, shall
284 remain in effect until June 30, 2015, except any] Any facility that would
285 have been issued a lower rate [effective July 1, 2014, than for the rate
286 period ending June 30, 2014,] due to interim rate status or agreement
287 with the department, shall be issued such lower rate. [effective July 1,
288 2014. The Commissioner of Social Services shall add fair rent increases
289 to any other rate increases established pursuant to this subdivision for
290 a facility which has undergone a material change in circumstances
291 related to fair rent, except for the fiscal years ending June 30, 2010, June
292 30, 2011, and June 30, 2012, such fair rent increases shall only be
293 provided to facilities with an approved certificate of need pursuant to
294 section 17b-352, 17b-353, 17b-354 or 17b-355. For the fiscal year ending
295 June 30, 2013, the commissioner may, within available appropriations,
296 provide pro rata fair rent increases for facilities which have undergone
297 a material change in circumstances related to fair rent additions placed
298 in service in cost report years ending September 30, 2008, to September
299 30, 2011, inclusive, and not otherwise included in rates issued. For the
300 fiscal years ending June 30, 2014, and June 30, 2015, the commissioner
301 may, within available appropriations, provide pro rata fair rent
302 increases, which may include moveable equipment at the discretion of
303 the commissioner, for facilities which have undergone a material
304 change in circumstances related to fair rent additions or moveable
305 equipment placed in service in cost report years ending September 30,
306 2012, and September 30, 2013, and not otherwise included in rates
307 issued.] The commissioner [shall] may add, within available
308 appropriations, fair rent increases associated with an approved
309 certificate of need pursuant to section 17b-352, 17b-353, 17b-354 or 17b-

310 355. [Interim rates may take into account reasonable costs incurred by
311 a facility, including wages and benefits. Notwithstanding the
312 provisions of this section, the Commissioner of Social Services may,
313 subject to available appropriations, increase or decrease rates issued to
314 licensed chronic and convalescent nursing homes and licensed rest
315 homes with nursing supervision.] On and after July 1, 2015, no facility
316 rate shall be (A) rebased if rebasing would result in increased cost to
317 the state, and (B) increased for inflation unless specifically authorized
318 by statute.

319 Sec. 8. Subdivision (8) of subsection (f) of section 17b-340 of the 2014
320 supplement to the general statutes is repealed and the following is
321 substituted in lieu thereof (*Effective July 1, 2015*):

322 (8) [On and after July 1, 1994] Except as provided in subdivision (4)
323 of this subsection, costs shall be rebased no more frequently than every
324 two years and no less frequently than every four years, as determined
325 by the commissioner. The commissioner shall determine whether and
326 to what extent a change in ownership of a facility shall occasion the
327 rebasing of the facility's costs.

328 Sec. 9. Subsection (g) of section 17b-340 of the 2014 supplement to
329 the general statutes is repealed and the following is substituted in lieu
330 thereof (*Effective July 1, 2015*):

331 (g) [For the fiscal year ending June 30, 1993, any intermediate care
332 facility for individuals with intellectual disabilities with an operating
333 cost component of its rate in excess of one hundred forty per cent of
334 the median of operating cost components of rates in effect January 1,
335 1992, shall not receive an operating cost component increase. For the
336 fiscal year ending June 30, 1993, any intermediate care facility for
337 individuals with intellectual disabilities with an operating cost
338 component of its rate that is less than one hundred forty per cent of the
339 median of operating cost components of rates in effect January 1, 1992,
340 shall have an allowance for real wage growth equal to thirty per cent

341 of the increase determined in accordance with subsection (q) of section
342 17-311-52 of the regulations of Connecticut state agencies, provided
343 such operating cost component shall not exceed one hundred forty per
344 cent of the median of operating cost components in effect January 1,
345 1992. Any facility with real property other than land placed in service
346 prior to October 1, 1991, shall, for the fiscal year ending June 30, 1995,
347 receive a rate of return on real property equal to the average of the
348 rates of return applied to real property other than land placed in
349 service for the five years preceding October 1, 1993. For the fiscal year
350 ending June 30, 1996, and any succeeding fiscal year, the rate of return
351 on real property for property items shall be revised every five years.
352 The commissioner shall, upon submission of a request, allow actual
353 debt service, comprised of principal and interest, in excess of property
354 costs allowed pursuant to section 17-311-52 of the regulations of
355 Connecticut state agencies, provided such debt service terms and
356 amounts are reasonable in relation to the useful life and the base value
357 of the property. For the fiscal year ending June 30, 1995, and any
358 succeeding fiscal year, the inflation adjustment made in accordance
359 with subsection (p) of section 17-311-52 of the regulations of
360 Connecticut state agencies shall not be applied to real property costs.
361 For the fiscal year ending June 30, 1996, and any succeeding fiscal year,
362 the allowance for real wage growth, as determined in accordance with
363 subsection (q) of section 17-311-52 of the regulations of Connecticut
364 state agencies, shall not be applied. For the fiscal year ending June 30,
365 1996, and any succeeding fiscal year, no rate shall exceed three
366 hundred seventy-five dollars per day unless the commissioner, in
367 consultation with the Commissioner of Developmental Services,
368 determines after a review of program and management costs, that a
369 rate in excess of this amount is necessary for care and treatment of
370 facility residents. For the fiscal year ending June 30, 2002, rate period,
371 the Commissioner of Social Services shall increase the inflation
372 adjustment for rates made in accordance with subsection (p) of section
373 17-311-52 of the regulations of Connecticut state agencies to update
374 allowable fiscal year 2000 costs to include a three and one-half per cent

375 inflation factor. For the fiscal year ending June 30, 2003, rate period, the
376 commissioner shall increase the inflation adjustment for rates made in
377 accordance with subsection (p) of section 17-311-52 of the regulations
378 of Connecticut state agencies to update allowable fiscal year 2001 costs
379 to include a one and one-half per cent inflation factor, except that such
380 increase shall be effective November 1, 2002, and such facility rate in
381 effect for the fiscal year ending June 30, 2002, shall be paid for services
382 provided until October 31, 2002, except any facility that would have
383 been issued a lower rate effective July 1, 2002, than for the fiscal year
384 ending June 30, 2002, due to interim rate status or agreement with the
385 department shall be issued such lower rate effective July 1, 2002, and
386 have such rate updated effective November 1, 2002, in accordance with
387 applicable statutes and regulations. For the fiscal year ending June 30,
388 2004, rates in effect for the period ending June 30, 2003, shall remain in
389 effect, except any facility that would have been issued a lower rate
390 effective July 1, 2003, than for the fiscal year ending June 30, 2003, due
391 to interim rate status or agreement with the department shall be issued
392 such lower rate effective July 1, 2003. For the fiscal year ending June
393 30, 2005, rates in effect for the period ending June 30, 2004, shall
394 remain in effect until September 30, 2004. Effective October 1, 2004,
395 each facility shall receive a rate that is five per cent greater than the
396 rate in effect September 30, 2004. Effective upon receipt of all the
397 necessary federal approvals to secure federal financial participation
398 matching funds associated with the rate increase provided in
399 subdivision (4) of subsection (f) of this section, but in no event earlier
400 than October 1, 2005, and provided the user fee imposed under section
401 17b-320 is required to be collected, each facility shall receive a rate that
402 is four per cent more than the rate the facility received in the prior
403 fiscal year, except any facility that would have been issued a lower rate
404 effective October 1, 2005, than for the fiscal year ending June 30, 2005,
405 due to interim rate status or agreement with the department, shall be
406 issued such lower rate effective October 1, 2005. Such rate increase
407 shall remain in effect unless: (1) The federal financial participation
408 matching funds associated with the rate increase are no longer

409 available; or (2) the user fee created pursuant to section 17b-320 is not
410 in effect. For the fiscal year ending June 30, 2007, rates in effect for the
411 period ending June 30, 2006, shall remain in effect until September 30,
412 2006, except any facility that would have been issued a lower rate
413 effective July 1, 2006, than for the fiscal year ending June 30, 2006, due
414 to interim rate status or agreement with the department, shall be
415 issued such lower rate effective July 1, 2006. Effective October 1, 2006,
416 no facility shall receive a rate that is more than three per cent greater
417 than the rate in effect for the facility on September 30, 2006, except any
418 facility that would have been issued a lower rate effective October 1,
419 2006, due to interim rate status or agreement with the department,
420 shall be issued such lower rate effective October 1, 2006. For the fiscal
421 year ending June 30, 2008, each facility shall receive a rate that is two
422 and nine-tenths per cent greater than the rate in effect for the period
423 ending June 30, 2007, except any facility that would have been issued a
424 lower rate effective July 1, 2007, than for the rate period ending June
425 30, 2007, due to interim rate status, or agreement with the department,
426 shall be issued such lower rate effective July 1, 2007. For the fiscal year
427 ending June 30, 2009, rates in effect for the period ending June 30, 2008,
428 shall remain in effect until June 30, 2009, except any facility that would
429 have been issued a lower rate for the fiscal year ending June 30, 2009,
430 due to interim rate status or agreement with the department, shall be
431 issued such lower rate. For the fiscal years ending June 30, 2010, and
432 June 30, 2011, rates in effect for the period ending June 30, 2009, shall
433 remain in effect until June 30, 2011, except any facility that would have
434 been issued a lower rate for the fiscal year ending June 30, 2010, or the
435 fiscal year ending June 30, 2011, due to interim rate status or
436 agreement with the department, shall be issued such lower rate. For
437 the fiscal year ending June 30, 2012, rates in effect for the period
438 ending June 30, 2011, shall remain in effect until June 30, 2012, except
439 any facility that would have been issued a lower rate for the fiscal year
440 ending June 30, 2012, due to interim rate status or agreement with the
441 department, shall be issued such lower rate. For the fiscal years ending
442 June 30, 2014, and June 30, 2015, rates shall not exceed those in effect

443 for the period ending June 30, 2013, except the] The rate paid to [a] an
444 intermediate care facility for individuals with intellectual disabilities
445 may, within available appropriations, be higher than the rate paid to
446 the facility for the [period ending June 30, 2013,] prior fiscal year if a
447 capital improvement approved by the Department of Developmental
448 Services, in consultation with the Department of Social Services, for the
449 health or safety of the residents was made to the facility during the
450 prior fiscal year. [ending June 30, 2014, or June 30, 2015, only to the
451 extent such rate increases are within available appropriations.] Any
452 facility that would have been issued a lower rate [for the fiscal year
453 ending June 30, 2014, or the fiscal year ending June 30, 2015,] due to
454 interim rate status or agreement with the department, shall be issued
455 such lower rate. Any facility that has a significant decrease in land and
456 building costs shall receive a reduced rate to reflect such decrease in
457 land and building costs. [For the fiscal years ending June 30, 2012, June
458 30, 2013, June 30, 2014, and June 30, 2015, the] The Commissioner of
459 Social Services may, within available appropriations, provide fair rent
460 increases to any facility that has undergone a material change in
461 circumstances related to fair rent and has an approved certificate of
462 need pursuant to section 17b-352, 17b-353, 17b-354 or 17b-355.
463 Notwithstanding the provisions of this section, the Commissioner of
464 Social Services may, within available appropriations, increase or
465 decrease rates issued to intermediate care facilities for individuals with
466 intellectual disabilities to reflect a reduction in available
467 appropriations as provided in subsection (a) of this section. [For the
468 fiscal years ending June 30, 2014, and June 30, 2015, the commissioner
469 shall not consider rebasing in determining rates.] On and after July 1,
470 2015, no facility rate shall be (1) rebased if rebasing would result in
471 increased cost to the state, and (2) increased for inflation unless
472 specifically authorized by statute.

473 Sec. 10. Section 17b-244 of the 2014 supplement to the general
474 statutes is repealed and the following is substituted in lieu thereof
475 (*Effective July 1, 2015*):

476 [(a)] The room and board component of the rates to be paid by the
477 state to private facilities and facilities operated by regional education
478 service centers which are licensed to provide residential care pursuant
479 to section 17a-227, but not certified to participate in the Title XIX
480 Medicaid program as intermediate care facilities for [persons with
481 mental retardation] individuals with intellectual disabilities, shall be
482 determined annually by the Commissioner of Social Services. [, except
483 that rates effective April 30, 1989, shall remain in effect through
484 October 31, 1989. Any facility with real property other than land
485 placed in service prior to July 1, 1991, shall, for the fiscal year ending
486 June 30, 1995, receive a rate of return on real property equal to the
487 average of the rates of return applied to real property other than land
488 placed in service for the five years preceding July 1, 1993. For the fiscal
489 year ending June 30, 1996, and any succeeding fiscal year, the rate of
490 return on real property for property items shall be revised every five
491 years. The commissioner shall, upon submission of a request by such
492 facility, allow actual debt service, comprised of principal and interest,
493 on the loan or loans in lieu of property costs allowed pursuant to
494 section 17-313b-5 of the regulations of Connecticut state agencies,
495 whether actual debt service is higher or lower than such allowed
496 property costs, provided such debt service terms and amounts are
497 reasonable in relation to the useful life and the base value of the
498 property. In the case of facilities financed through the Connecticut
499 Housing Finance Authority, the commissioner shall allow actual debt
500 service, comprised of principal, interest and a reasonable repair and
501 replacement reserve on the loan or loans in lieu of property costs
502 allowed pursuant to section 17-313b-5 of the regulations of Connecticut
503 state agencies, whether actual debt service is higher or lower than such
504 allowed property costs, provided such debt service terms and amounts
505 are determined by the commissioner at the time the loan is entered
506 into to be reasonable in relation to the useful life and base value of the
507 property. The commissioner may allow fees associated with mortgage
508 refinancing provided such refinancing will result in state
509 reimbursement savings, after comparing costs over the terms of the

510 existing proposed loans. For the fiscal year ending June 30, 1992, the
511 inflation factor used to determine rates shall be one-half of the gross
512 national product percentage increase for the period between the
513 midpoint of the cost year through the midpoint of the rate year. For
514 fiscal year ending June 30, 1993, the inflation factor used to determine
515 rates shall be two-thirds of the gross national product percentage
516 increase from the midpoint of the cost year to the midpoint of the rate
517 year. For the fiscal years ending June 30, 1996, and June 30, 1997, no
518 inflation factor shall be applied in determining rates. The
519 Commissioner of Social Services shall prescribe uniform forms on
520 which such facilities shall report their costs. Such rates shall be
521 determined on the basis of a reasonable payment for necessary
522 services. Any increase in grants, gifts, fund-raising or endowment
523 income used for the payment of operating costs by a private facility in
524 the fiscal year ending June 30, 1992, shall be excluded by the
525 commissioner from the income of the facility in determining the rates
526 to be paid to the facility for the fiscal year ending June 30, 1993,
527 provided any operating costs funded by such increase shall not
528 obligate the state to increase expenditures in subsequent fiscal years.
529 Nothing contained in this section shall authorize a payment by the
530 state to any such facility in excess of the charges made by the facility
531 for comparable services to the general public. The service component
532 of the rates to be paid by the state to private facilities and facilities
533 operated by regional education service centers which are licensed to
534 provide residential care pursuant to section 17a-227, but not certified
535 to participate in the Title XIX Medicaid programs as intermediate care
536 facilities for persons with mental retardation, shall be determined
537 annually by the Commissioner of Developmental Services in
538 accordance with section 17b-244a. For the fiscal year ending June 30,
539 2008, no facility shall receive a rate that is more than two per cent
540 greater than the rate in effect for the facility on June 30, 2007, except
541 any facility that would have been issued a lower rate effective July 1,
542 2007, due to interim rate status or agreement with the department,
543 shall be issued such lower rate effective July 1, 2007. For the fiscal year

544 ending June 30, 2009, no facility shall receive a rate that is more than
545 two per cent greater than the rate in effect for the facility on June 30,
546 2008, except any facility that would have been issued a lower rate
547 effective July 1, 2008, due to interim rate status or agreement with the
548 department, shall be issued such lower rate effective July 1, 2008. For
549 the fiscal years ending June 30, 2010, and June 30, 2011, rates in effect
550 for the period ending June 30, 2009, shall remain in effect until June 30,
551 2011, except that (1) the rate paid to a facility may be higher than the
552 rate paid to the facility for the period ending June 30, 2009, if a capital
553 improvement required by the Commissioner of Developmental
554 Services for the health or safety of the residents was made to the
555 facility during the fiscal years ending June 30, 2010, or June 30, 2011,
556 and (2) any facility that would have been issued a lower rate for the
557 fiscal years ending June 30, 2010, or June 30, 2011, due to interim rate
558 status or agreement with the department, shall be issued such lower
559 rate. For the fiscal year ending June 30, 2012, rates in effect for the
560 period ending June 30, 2011, shall remain in effect until June 30, 2012,
561 except that (A) the rate paid to a facility may be higher than the rate
562 paid to the facility for the period ending June 30, 2011, if a capital
563 improvement required by the Commissioner of Developmental
564 Services for the health or safety of the residents was made to the
565 facility during the fiscal year ending June 30, 2012, and (B) any] Any
566 facility that would have been issued a lower rate [for the fiscal year
567 ending June 30, 2012,] due to interim rate status or agreement with the
568 department, shall be issued such lower rate. Any facility that has a
569 significant decrease in land and building costs shall receive a reduced
570 rate to reflect such decrease in land and building costs. The rate paid to
571 a facility may, within available appropriations, be increased if a capital
572 improvement approved by the Department of Developmental Services,
573 in consultation with the Department of Social Services, for the health
574 or safety of the residents was made to the facility during the prior
575 fiscal year. [ending June 30, 2014, or June 30, 2015, only to the extent
576 such increases are within available appropriations.] On and after July
577 1, 2015, no facility rate shall be (1) rebased if rebasing would result in

578 increased cost to the state, and (2) increased for inflation unless
579 specifically authorized by statute.

580 [(b) The Commissioner of Social Services and the Commissioner of
581 Developmental Services shall adopt regulations in accordance with the
582 provisions of chapter 54 to implement the provisions of this section.]

583 Sec. 11. Subdivision (1) of subsection (h) of section 17b-340 of the
584 2014 supplement to the general statutes is repealed and the following
585 is substituted in lieu thereof (*Effective July 1, 2015*):

586 (h) (1) [For the fiscal year ending June 30, 1993, any residential care
587 home with an operating cost component of its rate in excess of one
588 hundred thirty per cent of the median of operating cost components of
589 rates in effect January 1, 1992, shall not receive an operating cost
590 component increase. For the fiscal year ending June 30, 1993, any
591 residential care home with an operating cost component of its rate that
592 is less than one hundred thirty per cent of the median of operating cost
593 components of rates in effect January 1, 1992, shall have an allowance
594 for real wage growth equal to sixty-five per cent of the increase
595 determined in accordance with subsection (q) of section 17-311-52 of
596 the regulations of Connecticut state agencies, provided such operating
597 cost component shall not exceed one hundred thirty per cent of the
598 median of operating cost components in effect January 1, 1992.
599 Beginning with the fiscal year ending June 30, 1993, for the purpose of
600 determining allowable fair rent, a residential care home with allowable
601 fair rent less than the twenty-fifth percentile of the state-wide
602 allowable fair rent shall be reimbursed as having allowable fair rent
603 equal to the twenty-fifth percentile of the state-wide allowable fair
604 rent. Beginning with the fiscal year ending June 30, 1997, a residential
605 care home with allowable fair rent less than three dollars and ten cents
606 per day shall be reimbursed as having allowable fair rent equal to
607 three dollars and ten cents per day. Property additions placed in
608 service during the cost year ending September 30, 1996, or any
609 succeeding cost year shall receive a fair rent allowance for such

610 additions as an addition to three dollars and ten cents per day if the
611 fair rent for the facility for property placed in service prior to
612 September 30, 1995, is less than or equal to three dollars and ten cents
613 per day. For the fiscal year ending June 30, 1996, and any succeeding
614 fiscal year, the allowance for real wage growth, as determined in
615 accordance with subsection (q) of section 17-311-52 of the regulations
616 of Connecticut state agencies, shall not be applied. For the fiscal year
617 ending June 30, 1996, and any succeeding fiscal year, the inflation
618 adjustment made in accordance with subsection (p) of section 17-311-
619 52 of the regulations of Connecticut state agencies shall not be applied
620 to real property costs. Beginning with the fiscal year ending June 30,
621 1997, minimum allowable patient days for rate computation purposes
622 for a residential care home with twenty-five beds or less shall be
623 eighty-five per cent of licensed capacity. Beginning with the fiscal year
624 ending June 30, 2002, for the purposes of determining the allowable
625 salary of an administrator of a residential care home with sixty beds or
626 less the department shall revise the allowable base salary to thirty-
627 seven thousand dollars to be annually inflated thereafter in accordance
628 with section 17-311-52 of the regulations of Connecticut state agencies.
629 The rates for the fiscal year ending June 30, 2002, shall be based upon
630 the increased allowable salary of an administrator, regardless of
631 whether such amount was expended in the 2000 cost report period
632 upon which the rates are based. Beginning with the fiscal year ending
633 June 30, 2000, and until the fiscal year ending June 30, 2009, inclusive,
634 the inflation adjustment for rates made in accordance with subsection
635 (p) of section 17-311-52 of the regulations of Connecticut state agencies
636 shall be increased by two per cent, and beginning with the fiscal year
637 ending June 30, 2002, the inflation adjustment for rates made in
638 accordance with subsection (c) of said section shall be increased by one
639 per cent. Beginning with the fiscal year ending June 30, 1999, for the
640 purpose of determining the allowable salary of a related party, the
641 department shall revise the maximum salary to twenty-seven
642 thousand eight hundred fifty-six dollars to be annually inflated
643 thereafter in accordance with section 17-311-52 of the regulations of

644 Connecticut state agencies and beginning with the fiscal year ending
645 June 30, 2001, such allowable salary shall be computed on an hourly
646 basis and the maximum number of hours allowed for a related party
647 other than the proprietor shall be increased from forty hours to forty-
648 eight hours per work week. For the fiscal year ending June 30, 2005,
649 each facility shall receive a rate that is two and one-quarter per cent
650 more than the rate the facility received in the prior fiscal year, except
651 any facility that would have been issued a lower rate effective July 1,
652 2004, than for the fiscal year ending June 30, 2004, due to interim rate
653 status or agreement with the department shall be issued such lower
654 rate effective July 1, 2004. Effective upon receipt of all the necessary
655 federal approvals to secure federal financial participation matching
656 funds associated with the rate increase provided in subdivision (4) of
657 subsection (f) of this section, but in no event earlier than October 1,
658 2005, and provided the user fee imposed under section 17b-320 is
659 required to be collected, each facility shall receive a rate that is
660 determined in accordance with applicable law and subject to
661 appropriations, except any facility that would have been issued a
662 lower rate effective October 1, 2005, than for the fiscal year ending June
663 30, 2005, due to interim rate status or agreement with the department,
664 shall be issued such lower rate effective October 1, 2005. Such rate
665 increase shall remain in effect unless: (A) The federal financial
666 participation matching funds associated with the rate increase are no
667 longer available; or (B) the user fee created pursuant to section 17b-320
668 is not in effect. For the fiscal year ending June 30, 2007, rates in effect
669 for the period ending June 30, 2006, shall remain in effect until
670 September 30, 2006, except any facility that would have been issued a
671 lower rate effective July 1, 2006, than for the fiscal year ending June 30,
672 2006, due to interim rate status or agreement with the department,
673 shall be issued such lower rate effective July 1, 2006. Effective October
674 1, 2006, no facility shall receive a rate that is more than four per cent
675 greater than the rate in effect for the facility on September 30, 2006,
676 except for any facility that would have been issued a lower rate
677 effective October 1, 2006, due to interim rate status or agreement with

678 the department, shall be issued such lower rate effective October 1,
679 2006. For the fiscal years ending June 30, 2010, and June 30, 2011, rates
680 in effect for the period ending June 30, 2009, shall remain in effect until
681 June 30, 2011, except any facility that would have been issued a lower
682 rate for the fiscal year ending June 30, 2010, or the fiscal year ending
683 June 30, 2011, due to interim rate status or agreement with the
684 department, shall be issued such lower rate, except (i) any facility that
685 would have been issued a lower rate for the fiscal year ending June 30,
686 2010, or the fiscal year ending June 30, 2011, due to interim rate status
687 or agreement with the Commissioner of Social Services shall be issued
688 such lower rate; and (ii) the commissioner may increase a facility's rate
689 for reasonable costs associated with such facility's compliance with the
690 provisions of section 19a-495a concerning the administration of
691 medication by unlicensed personnel. For the fiscal year ending June 30,
692 2012, rates in effect for the period ending June 30, 2011, shall remain in
693 effect until June 30, 2012, except that (I) any facility that would have
694 been issued a lower rate for the fiscal year ending June 30, 2012, due to
695 interim rate status or agreement with the Commissioner of Social
696 Services shall be issued such lower rate; and (II) the commissioner may
697 increase a facility's rate for reasonable costs associated with such
698 facility's compliance with the provisions of section 19a-495a
699 concerning the administration of medication by unlicensed personnel.
700 For the fiscal year ending June 30, 2013, the Commissioner of Social
701 Services may, within available appropriations, provide a rate increase
702 to a residential care home. Any facility that would have been issued a
703 lower rate for the fiscal year ending June 30, 2013, due to interim rate
704 status or agreement with the Commissioner of Social Services shall be
705 issued such lower rate. For the fiscal years ending June 30, 2012, and
706 June 30, 2013, the Commissioner of Social Services may provide fair
707 rent increases to any facility that has undergone a material change in
708 circumstances related to fair rent and has an approved certificate of
709 need pursuant to section 17b-352, 17b-353, 17b-354 or 17b-355. For the
710 fiscal years ending June 30, 2014, and June 30, 2015, for those facilities
711 that have a calculated rate greater than the rate in effect for the fiscal

712 year ending June 30, 2013, the commissioner may increase facility rates
 713 based upon available appropriations up to a stop gain as determined
 714 by the commissioner. No facility shall be issued a rate that is lower
 715 than the rate in effect on June 30, 2013.] Any residential care facility
 716 that would have been issued a lower rate [for the fiscal year ending
 717 June 30, 2014, or the fiscal year ending June 30, 2015,] due to interim
 718 rate status or agreement with the commissioner, shall be issued such
 719 lower rate. On and after July 1, 2015, no facility rate shall be (A)
 720 rebased if rebasing would result in increased cost to the state, and (B)
 721 increased for inflation unless specifically authorized by statute.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>from passage</i>	PA 13-184, Sec. 15
Sec. 2	<i>July 1, 2014</i>	19a-402
Sec. 3	<i>July 1, 2014</i>	17b-802(a)
Sec. 4	<i>July 1, 2014</i>	17b-617
Sec. 5	<i>July 1, 2015</i>	17b-104(b)
Sec. 6	<i>July 1, 2015</i>	17b-106(a)
Sec. 7	<i>July 1, 2015</i>	17b-340(f)(4)
Sec. 8	<i>July 1, 2015</i>	17b-340(f)(8)
Sec. 9	<i>July 1, 2015</i>	17b-340(g)
Sec. 10	<i>July 1, 2015</i>	17b-244
Sec. 11	<i>July 1, 2015</i>	17b-340(h)(1)

Statement of Purpose:

To implement the Governor's budget recommendations concerning human services programs.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]